

Filed for intro on 02/15/2001  
SENATE BILL 1531 By  
Cooper J

HOUSE BILL 1691  
By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Title 71, relative to  
child care brokers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 1, Part 1, is amended by  
adding the following as a new section to be appropriately designated:

Section \_\_\_\_.

(a) The department may not terminate or fail to renew any contract or  
grant for child care broker services with a community action agency or with a  
public entity, including but not limited to a human resource agency created  
pursuant to title 13, chapter 26, part 1, that was in effect on the effective date of  
this act, unless the entity is ineligible for employment on public contracts under  
the provisions of title 12, chapter 4.

(b)

(1) No person or entity, including the staff, corporate officers and  
board members of such entity, may be awarded a contract or grant to

perform child care broker services, if such person or entity, or its staff, corporate officers or board members has any interest in a child care agency. This provision shall not apply to human resource agencies receiving state funding for child care services.

(2) Nothing in this section shall prohibit a Head Start grantee that also acts as a child care broker from issuing certificates to any Head Start program for the purpose of providing wrap-around child care services.

(3) At the discretion of the commissioner of human services, in cases of hardship where a public entity is the sole provider of child care center services in a city, county or other defined geographic area, the commissioner of human services is authorized to grant a waiver of the restrictions imposed by this subsection on a year to year basis.

(c)

(1) "Child care agency," for purposes of this section, means a "child care agency" as such term is defined in Section 71-3-501.

(2) "Interest in a child care agency," for purposes of the section, includes, but is not limited to:

(A) ownership, management or operational responsibility for a child care agency;

(B) any contract, agreement or lease for property in which a child care agency is located;

(C) any contract or agreement to provide goods, services, staff or consultation to a child care agency;

(D) any maker, co-maker, or endorser status for a loan related to a child care agency; or

(E) any interest in a child care agency under this subdivision of a spouse, child, sibling, parent, grandparent or grandchild.

SECTION 2. This act shall apply to all contracts or grants made, issued or renewed on or after the effective date.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.